

Agency: Commerce, Community and Economic Development**Grants to Municipalities (AS 37.05.315)****Grant Recipient: Emmonak****Federal Tax ID: 92-0064816****Project Title:****Project Type: Other**

Emmonak - Emmonak Port Phase II - Ramp

State Funding Requested: \$8,190,190
One-Time Need**House District: 39 / T****Brief Project Description:**

Completion of Phase II of the Lower Yukon River Region Port and Road Renovation Project, to construct the ramp for the Port.

Funding Plan:

Total Project Cost:	\$9,848,114
Funding Already Secured:	(\$1,657,924)
FY2023 State Funding Request:	<u>(\$8,190,190)</u>
Project Deficit:	\$0

Funding Details:

2020: \$695,930: Phase 2 steel local contribution (Local cash contribution)

2021: \$200,000 Heavy equipment for use on ramp construction (est. \$50,000 for 4 months) Owner Furnished

2021: \$261, 994: Cofferdam steel (excess Phase I sheet piles)

2021: \$400,000 Aggregate (Owner Furnished)

2023: \$50,000, Fuel at cost (Owner Furnished)

2023: \$50,000, Misc. Fabric materials, SWPPP etc. (Owner Furnished)

Total: \$1,657,924

Detailed Project Description and Justification:

This CAPSIS request will fund construction for Phase 2 of the Emmonak Port in Alaska. Phase 1 (Dock) will be finalized in April 2022. The Phase II project includes construction of a temporary dewatering dam and excavation for an approximately 100 foot by 132-foot landing ramp downstream that will be connected to the dock, which is being built in 2021 (Phase 1). As part of the barge landing ramp, there will be four (4) sheet pile cells constructed. The ramp / cells will be protected by rip-rap and cathodic protection to minimize corrosion. This project was shovel-ready for 2022 construction. As of February 2022, all contracts and permits are in place and current, equipment is on site, and man-camp is still set up from the 2021 construction season.

The Emmonak Port Phase 2 Project will construct the ramp portion of an efficient, safe, Port infrastructure project, which began as a previously awarded a BUILD grant, Lower Yukon River Region Port and Road Renovation Project (LYRR Project) in February 2020. In December 2018, the City received the funding award from Department of Transportation (MARAD) for the amount of \$23,168,722 for two Components: 1) Port Construction (two phases, Dock/Wharf and Barge Landing/Ramp) and 2) Road Renovations for high-use roads in Emmonak. The local fisheries development agency contributed \$1 million match to the project.

In February 2020, the City finalized its grant agreement with MARAD, and the LYRR Project received the Notice to Proceed. No one could have predicted or planned for the shortage / availability of materials when the BUILD grant agreement was signed (one month before the COVID-19 pandemic was proclaimed nationwide). The City proceeded with its project (with adjustments and extra costs), but competitive bids came in higher than expected for contractor services. The City selected contractor(s), hired a management team, and moved forward on the first season of construction. (summer 2020). However, at that beginning point of the pandemic, no one could have planned for the effects of the COVID-19 pandemic on the cost of construction infrastructure, especially a remote project at the mouth of the Yukon River in Alaska. It is also important to note that the impact to costs is not over, and in fact is escalating due to shortages of goods and supplies.

By October 2020, scheduled progress had been accomplished on Component 1: Road Renovations, but by December it became apparent that the project would likely have a budget shortfall. The BIA roads cost estimate, (performed in 2007) contained inaccurate road measurements, resulting in the need for additional borrow, surface course, culverts, and other material requirements. During the first season of construction, essential expenses, paired with COVID's added conditions, increased the cost of completing the road renovations, impacting the overall project budget.

Due to the timing of the BUILD Grant, it was not possible to bid and select a General Contractor (GC), and for the GC to procure and ship the steel necessary to start the project in 2020. So in December 2020, the competitive bidding process for the Emmonak Port construction was publicly advertised for season two of the project (summer 2021), and once again, bids came back higher than hoped. The City had no choice but to revise the scope and the schedule for the project. Since the Port bids included Phase 1: Dock/Wharf (dock) and Phase 2: Barge Landing/Ramp (ramp) of the Port infrastructure, a contract was awarded for the dock (Phase 1).

For the ramp, (Phase 2), the contract included Phase 2 as an Alternate activity, only upon funding availability. If additional funding is secured by this fall (2022), then Phase 2 can be constructed in 2023 utilizing the existing GC Contract. If additional funds are not obtained this year, then the current GC will begin demobilizing, and the cost benefit will be lost.

The City of Emmonak is one of the many rural Alaskan communities that has experienced serious adversity, while endeavoring to provide essential services for its residents and other villages. The LYRR Port has remained a strong vision for a broad base of stakeholders over the past ten years, with only enough funding to bring some materials to the site. Because of inadequate funding, our existing community roads have also steadily -- and seriously - declined. These dynamics are discouraging, as they perpetually impact the City's ability to facilitate positive economic growth and address qualified health concerns of many Emmonak residents.

Freight is delivered by about eighty (80) or more barges who use the landing to unload containers. Despite the challenges, freight manifests over the past several years report strong growth in the tonnage of freight being discharged, delivered, and loaded to and through Emmonak. There are many challenges that accompany this growth, but two key issues are prominent; 1) overcrowding; and 2) erosion and flooding.

The current unimproved condition of the barge landing facility and inefficient offloading operations create periods of significant overcrowding and barge backups. During seasonally busy periods, the dedicated barge landing area, locally referred to as the "City Dock," has proven insufficient to meet current need. The unimproved landing site consists of bare riverbank soils, which are constructed by heavy equipment into a temporary earthen ramp. Tugs maneuver barges and push them onto the ramp, holding them in place under power as the barge is offloaded. Heavy equipment is used as temporary moorings to hold barges in place during offloading. The offloading procedure is difficult, inefficient, and dangerous for shipping industry personnel and equipment. The time and complexity of these operations increase the cost of delivery and create extensive back-ups as equipment and barges await their chance to offload.

This random nature of current barge offloading operations exacerbates the existing inefficiency at significant cost to barging companies, who must then pass these costs on to local customers.

The proposed ramp will accommodate two front-loading barges and the dock can accommodate three side-loading barges, which will reduce delays caused by congestion and reduce the amount of time tugs will need to power their engines. Because time is money for barge operators, the project is expected to result in savings to operators. With the dock infrastructure built, barge owners may realize the legitimacy of tariffs, as they are realizing cost savings in terms of the time required per port call. Revenues collected for dockage, and wharfage can support a well-managed Port. With well-organized management, the City could alleviate congestion at the port and implement ordered regulation for efficient barge delivery operations into Emmonak. This will drastically improve how freight is moved through the port.

Persistent riverbank erosion and flooding pose a significant threat to the existing physical infrastructure of local maritime industry businesses. The barge landing area is composed of soft fine-grained beach soils and small rocks. The condition and surface of the dock is usually soft and muddy due to the typically rainy climate. However, it is a deep port, and the mooring place is protected from extreme weather conditions. Rock revetments are in place downstream to control erosion closer to town, but no protections exist for the barge landing site. If rock were used to mitigate the erosion, barge operators would no longer be able to safely approach the beach without causing damage to their barge or tug. The port is left without restoration of damages, and the erosion reoccurs more and more often from these urgent usages. Therefore, the City is without options other than to build the port.

The complete Emmonak Port project design links directly to existing revetment protections along the riverbank to control erosion and seasonally flooding. This investment is critically needed by every tug and barge entering the Yukon Delta. The Phase 2 ramp construction of the Emmonak Port project will directly support barge delivery services and maritime industry growth in Emmonak by addressing current operational challenges of overcrowding, erosion, and flooding. The Port (dock and ramp) will also provide basic physical safeguards for the local investments of shipping industry operators and Kwik'Pak Fisheries, the region's largest fish processor. When the Port is completely finished, Kwik'Pak will be able to utilize barges with the capability to transport refrigerated containers at rates that will allow fishing and processing operations to expand. This will lead to significant increases in income for local fish harvesting and processing workers in one of poorest regions in Alaska and the United States. Investments in physical stability will provide the foundation for continued development of a Port Operations Center in Emmonak to support growing industries in the region.

Project Timeline:

Construction start: April 1, 2023

Project end: October 2023

Entity Responsible for the Ongoing Operation and Maintenance of this Project:

City of Emmonak

Grant Recipient Contact Information:

Name: Joan Herrmann
 Title: Project Coordinator
 Address: P.O. Box 50
 Emmonak, Alaska 99621
 Phone Number: (907)223-3086
 Email: apsijoan@gmail.com

Total Project Snapshot Report

2022 Legislature

TPS Report 67005v1

Has this project been through a public review process at the local level and is it a community priority? ☒ Yes ☐ No